COMPANY REGISTRATION NO: 3861237

HALEWOOD INTERNATIONAL MARKETING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the 52 week period ended 28 June 2014

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Report and financial statements 2014
Contents

	Page
Company Information	1
Strategic Report	2
Directors' Report	3
Independent Auditor's Report	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8

Company Information

Directors	J E Halewood P G Eaton S J Oldroyd A D Smallman
Registered office	The Sovereign Distillery Wilson Road Huyton Business Park Huyton Liverpool L36 6AD
Registered number	3861237
Auditor	Deloitte LLP Chartered Accountants & Statutory Auditor Liverpool United Kingdom
Bankers	Lloyds Bank Plc 94 Fishergate Preston Lancashire PR1 2JB

Strategic Report

The directors present the strategic report on the company for the period ended 28 June 2014. The directors, in preparing this strategic report, have complied with s414(c) of the Companies Act 2006.

PRINCIPAL ACTIVITIES

The principal activities of the company are to provide marketing and design services for certain companies within the Halewood International group ('the group').

BUSINESS REVIEW

Halewood International Marketing Limited is a wholly owned subsidiary of Halewood International Holdings (UK) Limited, a company incorporated in England. The ultimate parent undertaking is Halewood International Holdings PLC. The group monitors performance as a whole, therefore a complete review of the business and future prospects of the group is included in the Directors' Report of the ultimate parent company accounts.

The directors are satisfied with the performance of the company during the period given the current wider economic environment. Turnover was £8,987k, which was a increase of £643k on the previous period (2013: increase £892k). Operating profit was £418k, which was a increase in profit of £54k on the previous period (2013: increase £108k).

The directors are not aware, as at the date of this report, of any likely major changes in the company's activities in the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

As the company supplies marketing services to fellow group undertakings it is wholly dependent upon the requirements of internal group customers. Loss of these group customers would eliminate the only source of revenue for its services.

The company and its customers continue to operate in a very competitive domestic market and as a result pressure on volumes is expected to continue. To combat these pressures the company will continue to focus on its successful strategy of new product development and providing marketing support for its brands.

The directors have considered the going concern assumption and continue to adopt the going concern basis in preparing the annual report and financial statements, as explained further in note 1 to the accounts.

Key performance indicators are disclosed within the subsidiary financial statements.

The strategic report of Halewood International Marketing Limited was approved by the board of directors and signed on its behalf on 20th January 2015 by:

S J Oldroyd
Director

Directors' Report

The directors present their report and the audited financial statements for the 52 weeks ended 28 June 2014.

RESULTS AND DIVIDENDS

The profit for the period after taxation amounted to £354k (2013: £300k). No dividend was declared in the period (2013: £nil).

CHARITABLE AND POLITICAL CONTRIBUTIONS

No charitable donations were made during the period (2013: £nil).

No political donations were made during the period (2013: £nil).

DIRECTORS

The present directors of the company who served throughout the period and thereafter, except where noted, are set out on page 1.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Each of the persons who are directors at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

APPROVAL

The Report of the Directors was approved by the Board on 20th January 2015 and signed on its behalf by:

S J Oldroyd
Director

Independent Auditor's Report to the members of Halewood International Marketing Limited

We have audited the financial statements of Halewood International Marketing Limited for the 52 week period ended 28 June 2014 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the financial implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 June 2014 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the members of Halewood International Marketing Limited (Continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Damian Sanders (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Liverpool
United Kingdom
23 January 2015

Profit and Loss Account

For the 52 weeks ended 28 June 2014

	Note	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
Turnover	2	8,987	8,344
Cost of sales		(8,511)	(7,939)
Gross profit		476	405
Administrative expenses		(58)	(42)
Operating profit	3	418	363
Interest payable	6	(1)	(1)
Interest receivable	7	40	43
Profit on ordinary activities before taxation		457	405
Tax charge on profit on ordinary activities	8	(103)	(105)
Profit on ordinary activities after taxation	15, 16	354	300

There were no recognised gains or losses other than the profit for the current and previous financial periods as shown above. Accordingly, no separate statement of total recognised gains and losses is prepared.

The company's activities derive from continuing operations.

Balance Sheet

At 28 June 2014

	Note	28 June 2014 £'000	29 June 2013 £'000
Fixed assets			
Tangible assets	9	42	-
Investments	10	27	94
		69	94
Current assets			
Debtors	11	3,406	3,269
Creditors: amounts falling due within one year	13	(1,265)	(1,507)
Net current assets		2,141	1,762
Net assets		2,210	1,856
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	2,210	1,856
Shareholder's funds	16	2,210	1,856

The financial statements of Halewood International Marketing Limited, registered number 3861237, were approved by the board of directors on 20th January 2015 and signed on its behalf by:

S J Oldroyd
Director

Notes to the Financial Statements

For the 52 weeks ended 28 June 2014

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding period.

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards. The company is exempt from publishing a cash flow statement because it is a wholly owned subsidiary undertaking of Halewood International Holdings PLC, which publishes a consolidated cash flow statement.

Basis of preparation

The company meets its day-to-day working capital requirements through loans from its parent undertaking and fellow subsidiary companies. The company's forecasts and projections, taking account of possible changes in trading performance, show that the company is expected to be able to operate within the level of funding available. In relation to intercompany balances, the company is in a net debtor position which is considered recoverable.

As shown in note 17, the company is party to group borrowing facilities under which the various UK companies in the group have cross-guaranteed the borrowings due to Lloyds TSB Bank Plc. In carrying out their duties in respect of going concern, the directors have carried out a review of the Group's financial position and cash flow forecast for a period of 12 months from the date of signing these financial statements. These have been based on a comprehensive review of revenue, expenditure and cash flows, taking into account specific business risks and the uncertainties brought about by the current economic environment.

After making enquiries, the directors have a reasonable expectation that the company and the group have access to adequate resources and believe that the company and the group are well placed to manage their business risks successfully, despite the current uncertain economic outlook, and impact on consumer spending, and are expected to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Tangible fixed assets

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to recoverable amount. Any such write down would be charged to operating profit unless it was a reversal of a past revaluation surplus in which case it would be taken to the statement of total recognised gains and losses. The principal annual rates used for other assets are:

Computer equipment	25% on cost
Fixtures and fittings	10% on cost
Motor vehicles	25% on cost

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Notes to the Financial Statements (continued)

For the 52 weeks ended 28 June 2014

1. ACCOUNTING POLICIES (continued)

Taxation (continued)
Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Turnover
Turnover is recognised at the point at which charges are incurred on marketing projects and recharged to fellow subsidiary undertakings.

Investments
Investments relate to racehorses held by the company, which are held at amortised cost less provision for impairment. The investments are amortised over 5 years.

Dividends
Dividends are recognised when the dividend is declared by the company directors passing a written resolution.

2. TURNOVER

All turnover derives from the principal activity and arises from the United Kingdom. Turnover by origin and destination are not materially different.

3. OPERATING PROFIT

Operating profit is arrived at after charging:

	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
Depreciation on owned assets	2	-
Amortisation	35	42
Loss on disposal of investments	52	36

The analysis of auditor's remuneration is as follows:

	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
Fees payable to the company's auditor for the audit of the company's annual accounts	2	3

Fees payable to the company's auditor for non-audit services in the period was £nil (2013: £nil).

Notes to the Financial Statements (continued)

For the 52 weeks ended 28 June 2014

4. EMPLOYEES

Staff costs:	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
Wages and salaries	544	532
Social security costs	59	65
Pensions - defined contribution scheme	37	36
	640	633

The average monthly number of employees, including directors, during the period was made up as follows:

	2014 Number	2013 Number
Administration & selling	15	15

5. DIRECTORS' EMOLUMENTS

No directors' remuneration was paid by the company during the period (2013: nil). Such costs were settled by Halewood International Ltd, and not recharged.

6. INTEREST PAYABLE

	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
Interest due to fellow subsidiary undertakings	1	1

7. INTEREST RECEIVABLE

	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
Interest due from parent undertaking	36	37
Interest due from subsidiary undertakings	4	6
	40	43

Notes to the Financial Statements (continued)

For the 52 weeks ended 28 June 2014

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
United Kingdom Corporation Tax		
Current tax on income for the period	102	105
Current taxation charge	102	105
Deferred taxation		
Net origination of timing differences	1	-
Deferred taxation charge	1	-
Total tax charge on profit on ordinary activities	103	105

Current tax reconciliation	52 weeks ended 28 June 2014 £'000	52 weeks ended 29 June 2013 £'000
Profit on ordinary activities before taxation	457	405
Tax on profit on ordinary activities at standard UK corporation tax rate of 22.5% (2013: 23.75%)	103	96
Effects of:		
- expenditure not tax deductible	(1)	9
Current tax charge for the period	102	105

Notes to the Financial Statements (continued)

For the 52 weeks ended 28 June 2014

9. TANGIBLE FIXED ASSETS

	Fixtures, fittings and computer equipment £'000
Cost	
At 30 June 2013	24
Additions	44
At 28 June 2014	68
Accumulated depreciation	
At 30 June 2013	24
Charge for the year	2
At 28 June 2014	26
Net book value	
At 28 June 2014	42
At 29 June 2013	-

10. INVESTMENTS

	£'000
Cost	
At 29 June 2013	261
Additions	25
Disposals	(135)
At 28 June 2014	151
Amortisation	
At 29 June 2013	167
Charge for the period	35
Disposals	(78)
At 28 June 2014	124
Net Book Value	
At 28 June 2014	27
At 29 June 2013	94

Investments relate to racehorses held by the company, which are held at cost and amortised over 5 years.

Notes to the Financial Statements (continued)

For the 52 weeks ended 28 June 2014

11. DEBTORS

	28 June 2014 £'000	29 June 2013 £'000
Trade debtors	304	75
Other debtors	-	190
Prepayments	163	243
Amount due from parent undertaking	1,661	1,661
Amount due from fellow subsidiary undertakings	1,278	1,099
Deferred taxation (note 12)	-	1
	3,406	3,269

The intercompany loan has no fixed term of repayment. Interest is received monthly at a commercial rate above the Bank of England base rate.

12. DEFERRED TAXATION

	28 June 2014 £'000	29 June 2013 £'000
Opening deferred tax asset	1	2
Charge during the period (note 8)	(1)	(1)
Closing deferred tax asset	-	1

Deferred tax is analysed as follows:	28 June 2014 £'000	29 June 2013 £'000
Capital allowances in excess of depreciation	-	1

Notes to the Financial Statements (continued)

For the 52 weeks ended 28 June 2014

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28 June 2014 £'000	29 June 2013 £'000
Bank overdraft	1	28
Trade creditors	333	652
Corporation tax	102	104
Other creditors	294	100
Accruals and deferred income	385	458
Amounts due to fellow subsidiary undertakings	150	165
	1,265	1,507

In respect of amounts due to fellow subsidiary undertakings, there was no fixed term of repayment and interest is paid monthly at a commercial rate above the Bank of England base rate.

14. SHARE CAPITAL

	28 June 2014 £'000	29 June 2013 £'000
Allotted, called up and fully paid		
100 ordinary shares of £1 each	-	-

15. PROFIT AND LOSS ACCOUNT

	£'000
At 29 June 2013	1,856
Profit for the period	354
At 28 June 2014	2,210

Notes to the Financial Statements (continued)

For the 52 weeks ended 28 June 2014

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2014 £'000	2013 £'000
Opening shareholder's funds	1,856	1,556
Profit for the period	354	300
Closing shareholder's funds	2,210	1,856

17. CONTINGENT LIABILITY

The company is party to group borrowings facilities under which the various UK companies in the group have cross-guaranteed the borrowings due to Lloyds TSB Bank Plc. At 28 June 2014 the borrowings of the group amounted to £21,069k (29 June 2013: £23,644k).

18. RELATED PARTY TRANSACTIONS

The company has undertaken transactions with fellow subsidiaries of Halewood International Holdings PLC. Under the provisions of Financial Reporting Standard No.8 "Related Party Disclosures" the company is exempt from disclosing the details of these transactions.

19. ULTIMATE PARENT AND CONTROLLING PARTY

The immediate parent undertaking is Halewood International Holdings (UK) Limited. The ultimate parent company and parent undertaking at the largest and smallest group which includes the company is Halewood International Holdings PLC, a company registered in England. Group accounts for Halewood International Holdings PLC are available to the public on payment of the appropriate fee, from Companies registration Office, Crown Way, Maindy, Cardiff, CF4 3UZ.

The directors consider that the ultimate controlling party of the company is the Estate of J E Halewood, owing to his overall control of the parent company.